



BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Fuel Rules Proceeding to Adjust Wisconsin Public Service Corporation's Electric Rates Originally Set in Docket 6690-UR-118	6690-FR-101
Fuel Rules Proceeding to Adjust Wisconsin Public Service Corporation's Electric Rates Originally Set in Docket 6690-UR-119	6690-FR-102
Application of Wisconsin Public Service Corporation for Authority to Adjust Electric and Natural Gas Rates	6690-UR-119

INTERIM DECISION

This is the Interim Decision in the application of Wisconsin Public Service Corporation (WPSC) to reopen docket 6690-UR-119 to consider specific issues, to consider the over-recovery of fuel cost in dockets 6690-FR-101 and 6690-FR-102, and to establish new electric and natural gas rates for 2010.

Final overall rate changes are authorized consisting of no overall annual change for Wisconsin retail electric operations, although individual rate classes will experience increases or decreases, and a \$13,472,000 annual rate increase for Wisconsin retail natural gas operations, a 3.08 percent increase, for the test year ending December 31, 2010.

Introduction

On September 30, 2008, the Commission issued its Order to Reopen in docket 6690-FR-101, which set rates subject to refund pending a review of 2008 actual fuel costs and a final order in that proceeding. On April 24, 2009, the Commission issued its Notice of Proceeding and Order Setting Rates Subject to Refund in docket 6690-FR-102, which set rates subject to refund, effective April 25, 2009, pending a review of 2009 fuel costs and a final

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decision in that proceeding. On December 30, 2008, the Commission issued its Final Decision in docket 6690-UR-119, which authorized WPSC to file for a limited reopener rate case for the 2010 test year. The reopener filing was to be limited to the issues identified in Item 14 of the Stipulation in Appendix D of the Decision.

On May 1, 2009, WPSC filed its application for a limited reopening of docket 6690-UR-119, requesting an increase of \$48,873,000, or 4.97 percent for its electric utility, and an increase of \$14,364,000, or 3.44 percent for its natural gas utility, for the 2010 test year. WPSC's requested increases were primarily based on the issues identified in the Stipulation, and relate to fuel and purchased power costs, Crane Creek Wind project costs, increased payments to Focus on Energy, increased pension costs associated with the change in the asset growth rate, and increased uncollectible accounts expense. The increased uncollectible accounts expense was excluded as an issue in the reopener proceeding by ruling of the Administrative Law Judge at the June 25, 2009, prehearing conference as beyond the issues in the Stipulation. In addition, Commission staff included the effects of a discount rate change along with the change in the asset growth rate for the increased pension costs, and WPSC indicated no objection to this inclusion.

Commission staff performed a review of WPSC's 2008 and 2009 fuel costs and a review of WPSC's filing for 2010 rate relief. Prehearing conferences were held on June 25, 2009, for the rate case, and August 19, 2009, for all three dockets to establish the issues and schedule in these dockets. On September 21, 2009, a combined technical hearing was held in Madison on these three dockets, with combined public hearings in Green Bay and Wausau on September 24, 2009.

The Commission considered these matters at its open meeting of December 10, 2009.

The parties, for purposes of review under Wis. Stat. §§ 227.47 and 227.53, are listed in Appendix A. Others who appeared are listed in the Commission's files.

Findings of Fact

1. It is appropriate to offset the 2008 and 2009 fuel cost over-recoveries against the 2010 test year electric utility revenue deficiency.

2. It is reasonable to address issues with respect to the performance of the Weston 4 unit, including the revenue requirement impacts of excessive exfoliation in components of the unit's boiler, in a later phase of these proceedings or in a future proceeding.

3. Fuel cost adjustments that decrease test year company-filed monitored fuel costs by \$51,247,000 from WPSC's filed levels are reasonable.

4. A test year fuel rules cost of monitored fuel of \$330,881,000 is reasonable.

5. It is reasonable to monitor fuel costs using the following ranges: (1) plus or minus 8 percent monthly; (2) cumulative monthly ranges of plus or minus 8 percent for the first month, plus or minus 5 percent for the second month, and plus or minus 2 percent for the remaining months of the year; and (3) plus or minus 2 percent for the annual range.

6. It is reasonable to forecast the test year cost of natural gas used for electric generation purposes by averaging the November 16, 2009, New York Mercantile Exchange (NYMEX) futures prices, and the estimated 2009 natural gas prices, as the estimated cost for natural gas for 2010. 2009 estimated natural gas prices are based on January through August 2009 actual settlement prices, and 2009 future prices as of November 16, 2009, for September through December.

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7. It is reasonable to include \$15,912,794 in 2010 Wisconsin retail electric revenue requirements for construction costs associated with the Crane Creek Wind project.

8. It is reasonable to include (\$1,512,535) of deferred 2009 and (\$8,181,978) of forecasted 2010 production tax credits associated with the Crane Creek Wind project in 2010 Wisconsin retail electric revenue requirement.

9. It is reasonable to continue to defer the manufacturing tax deduction (IRS § 199) associated with the Crane Creek Wind Project until the next WPSC rate case proceeding.

10. It is reasonable to include the deferred 2009 payments of \$4,449,401 and the 2010 payments of \$7,919,752 to Focus on Energy (FOE) associated with the Energy Efficiency Stipulation approved in the December 30, 2008, Final Decision in docket 6690-UR-119, in 2010 Wisconsin retail electric revenue requirement.

11. It is reasonable to include the deferred 2009 payments of \$2,997,925 and the 2010 payments of \$5,081,241 to FOE associated with the Energy Efficiency Stipulation approved in the December 30, 2008, Final Decision in docket 6690-UR-119, in 2010 Wisconsin retail natural gas revenue requirement.

12. It is reasonable to include the amortization of deferred 2009 pension costs of \$2,378,830 and forecasted 2010 pension costs of \$11,058,398 in 2010 Wisconsin retail electric revenue requirement.

13. It is reasonable to include the amortization of deferred 2009 pension costs of \$623,752 and forecasted 2010 pension costs of \$2,899,622 in 2010 Wisconsin retail natural gas revenue requirement.

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14. It is reasonable to reduce 2010 Wisconsin retail electric revenue requirement to reflect the amortization of the net payments received from Dominion Energy Kewaunee, LLC, that resolves WPSC's entitlement to a portion of any recovery from the Department of Energy (DOE) regarding the failure to take delivery of and dispose of spent nuclear fuel from the Kewaunee Nuclear Power Plant (KNPP) of (\$1,421,949), and for additional credits related to the KNPP non-qualified decommissioning trust fund of (\$157,889).

15. It is reasonable to include \$187,734 in 2010 natural gas revenue requirement for sales of natural gas associated with WPSC's electric production costs.

16. It is reasonable to include \$3,146,253 in 2010 Wisconsin retail electric revenue requirement for deferred 2009 amounts associated with 2005 Wisconsin Act 141 (Act 141) large energy customer billing limitations and true up any actual differences in the 2009 amounts in a future rate case proceeding.

17. It is reasonable to include \$1,681,630 in 2010 Wisconsin retail natural gas revenue requirement for deferred 2009 amounts associated with Act 141 large energy customer billing limitations and true up any actual differences in the 2009 amounts in a future rate case proceeding.

18. It is reasonable to apply a portion of the 2008 and 2009 fuel cost over-recoveries, and accrued interest, of (\$1,195,000) and (\$26,554,000), respectively, to completely offset the 2010 Wisconsin retail electric utility revenue deficiency.

19. It is reasonable for the Commission to rely on the results of a variety of electric cost-of-service studies (COSS) along with the other information presented in this rate proceeding as a guide in determining revenue allocation and setting rates.

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20. It is reasonable to approve rates for electric service for the test year to achieve customer class changes in revenue as shown in Appendix B.

21. It is reasonable to approve electric rate designs in this rate proceeding in which a relatively greater proportion of increases in revenue are collected through increases in energy charges as opposed to increases in demand charges.

22. It is reasonable for WPSC to submit an analysis by September 1, 2010, of splitting the current time-of-day (TOD) pricing periods into additional pricing periods and a plan for implementation of such pricing periods in 2011.

23. It is reasonable for WPSC to submit a plan by September 1, 2010, to bid its direct load control program into the Midwest Independent Transmission System Operator, Inc., (MISO) energy market as price sensitive loads with implementation in 2011.

24. It is reasonable to remove the provision in the Cp-I2 Large Commercial and Industrial Rider that limits grandfathered customers to 300 hours of interruptions per year.

Conclusions of Law

The Commission concludes it has jurisdiction under Wis. Stat. §§ 1.12, 196.02, 196.025, 196.03, 196.19, 196.20, 196.21, 196.37, 196.374, 196.395, and 196.40 and Wis. Admin. Code chs. PSC 113, 116, and 134 to enter an order authorizing WPSC to place in effect the rates and rules for electric and natural gas utility service set forth in Appendices B and C, subject to the conditions specified in this Interim Decision. Such rates and rules for electric and natural gas utility service in Appendices B and C are reasonable and appropriate as a matter of law.

Opinion

Offsetting of the 2008 and 2009 Fuel Cost Over-Recoveries against the Electric Utility Revenue Deficiency in 2010

The updated incremental revenue requirements from 2009 to 2010 for the electric utility, including amortization of the Act 141-related deferral from 2009, total to a revenue deficiency of \$18,190,000 on a Wisconsin retail basis. Commission staff's estimated combined 2008 and 2009 fuel cost over-recoveries, including accrued interest, total \$27,749,000. Offsetting the 2008 and 2009 fuel cost over-recoveries against the 2010 revenue deficiency in an amount sufficient to eliminate the 2010 revenue deficiency results in estimated remaining fuel cost over-recoveries and accrued interest of \$9,559,000. The actual remaining amount will be known when total 2009 fuel costs are calculated.

In testimony, Commission staff suggested that the Commission consider both the reopener rate case in docket 6690-UR-119 and the two fuel cases in dockets 6690-FR-101 and 6690-FR-102 for purposes of electric revenue allocation and rate design because it appeared at that time that the revenue deficiency from the reopener could be offset by the fuel case decreases.

In rebuttal testimony and in briefs, WPSC also proposed that the fuel cost over-recoveries be used to offset the 2010 electric rate increase, including the Act 141 deferral that should be collected in 2010. In its initial brief, the Citizens' Utility Board (CUB) also indicated that it supports netting the 2008 and 2009 fuel cost over-recoveries against the 2010 electric utility revenue deficiency.

The Wisconsin Industrial Energy Group (WIEG) opposed netting the 2008 and 2009 fuel cost over-recoveries against the 2010 revenue deficiency, maintaining that WPSC's customers'

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interests are best served by a return of their fuel cost overpayments at the earliest opportunity together with the certainty and transparency that comes from the independent allocation of the Fuel Rule credit and the base case rate increase.

Offsetting the 2008 and 2009 fuel credits against the 2010 electric utility revenue deficiency helps maintain rate stability and may prevent the customer confusion that could result if the Commission were to authorize a large electric utility fuel cost credit immediately followed by an electric rate increase. Therefore, the Commission finds it reasonable to offset the sum of the 2008 and 2009 fuel cost over-recoveries against the 2010 revenue deficiency, shown as a separate per kWh line item credit, to the extent that it results in no overall change in revenue requirement. The Commission recognizes that some customers will see increases and others will see decreases in their electric bills. The remaining fuel cost over-recoveries will be returned to customers in an additional one-time credit as soon as practicable after actual 2009 monitored fuel costs are known.

Fuel Costs

A reasonable test year level of monitored fuel costs is \$330,881,000, which reflects the cost of generation and purchased energy, less the revenues from opportunity sales of energy and capacity. The test year fuel cost divided by the test year estimate of native energy requirements of 16,244,258 megawatt-hour results in an average net monitored fuel cost per kilowatt-hour (kWh) of \$.02037.

Any cost for purchased capacity that is required to meet reserve requirements is excluded from monitored fuel costs and may only be adjusted in a full rate case. Firm transmission associated with excluded capacity purchases, fuel and ash handling, and nitrous oxide (NO_x) and

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sulfur dioxide (SO₂) allowance costs are excluded as well. Appendix D shows the monthly fuel costs to be used for monitoring purposes.

It is reasonable to monitor WPSC's fuel costs using the following ranges: (1) plus or minus 8 percent monthly; (2) cumulative monthly ranges of plus or minus 8 percent for the first month, plus or minus 5 percent for the second month, and plus or minus 2 percent for the remaining months of the year; and (3) plus or minus 2 percent for the annual range.

The method of applying these ranges, established in prior Commission decisions for WPSC, shall continue to be used and applied, using the data in Appendix D for monitoring fuel costs.

Natural Gas Costs

Commission staff proposed an alternative natural gas recovery method based on 2009 natural gas prices, as opposed to the use of NYMEX futures prices, due to the current low natural gas prices compared to the NYMEX future prices. For the past several years, natural gas prices have been flat to steadily declining. The alternative methodology assumes gas prices will remain at approximately the current levels through the test year. If gas cost increases occur, the increases are deferred for later collection.

The Commission determined that the estimate for natural gas costs for 2010 should be the average of the NYMEX futures price from November 16, 2009, and the 2009 natural gas prices, based on January through August 2009 actual settlement prices, and 2009 future prices as of August 25, 2009, for September through December.

Chairperson Callisto dissents.

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Weston 4 Performance

An issue common to all three dockets is the performance of the Weston 4 unit, which has affected 2008 and 2009 fuel costs, and is likely to affect 2010 and subsequent years' fuel costs, until such time as the performance issues are finally resolved. On September 8, 2009, the Administrative Law Judge issued an Order in the above dockets, laying over issues with respect to the performance of the Weston 4 unit, including the revenue requirement impacts of excessive exfoliation in components of the unit's boiler. This is an Interim Decision because these issues will be addressed in a future phase in these proceedings or in a future proceeding.

Network Transmission Service Costs

WPSC's network transmission services fees included in Wisconsin retail revenue requirement in 2010 will be approximately \$96,204,000. Because the 2010 level of network services is a known amount, the Commission finds it reasonable to allow WPSC to recover the incremental amount of network services fees in rates in this rate proceeding. It is reasonable to reflect an additional \$11,584,000 in the Wisconsin retail revenue requirement to recover the increase in these costs. Any refunds from American Transmission Company (ATC) associated with its network services fees shall be deferred until they can be returned to ratepayers.

Revenue Requirement

On the basis of the findings of this Interim Decision, no change in overall Wisconsin retail electric utility revenues and a \$13,471,904 increase in Wisconsin retail natural gas utility revenues are reasonable for the purposes of determining reasonable and just rates and are summarized as follows:

Incremental Revenue Requirement from 2009 to 2010

Description	Electric WI Retail	Natural Gas WI Retail
Monitored Fuel Costs	(\$36,837,224)	
Coal Handling Costs	555,646	
Ash Disposal Costs	2,973,027	
Emission Control Costs	4,759,302	
Impact of change in Capacity Purchases	(2,115,555)	
ATC Network Charges	11,245,519	
MISO Network Charges	338,501	
Weston 3 lightning strike amortization adjustment	(200,000)	
Amortization of 2009 deferred NOx allowance costs	1,246,410	
Recovery of 2010 NOx & SO2 allowance costs	2,633,027	
Amortization of 2009 deferred Crane Creek Prod Tax Credits	(1,512,535)	
Credit of 2010 Crane Creek Prod Tax Credits	(8,181,978)	
Amortization of 2009 deferred FOE payments	4,449,401	\$2,997,925
Recovery of 2010 FOE payments	7,919,752	5,081,241
Amortization of 2009 deferred pension costs	2,378,830	623,752
Recognition of 2010 pension costs	11,058,398	2,899,622
Increase in return on Crane Creek Construction Costs	15,912,794	
Dominion Payment for DOE Spent Fuel Dispute	(1,421,949)	
KNPP Non Qualified Decomm. Fund - Additional Credits	(157,889)	
Reduced Gas Margin Due to CT Generation		187,734
Amortization of Act 141 Deferred Costs from 2009	<u>3,146,253</u>	<u>1,681,630</u>
Requirement Impact in 2010	18,189,729	13,471,904
2008 & 2009 Fuel Cost Over-recovery Offsets	<u>(18,189,729)</u>	<u> </u>
Total Revenue Requirement Impact in 2010	<u> (\$0)</u>	<u>\$13,471,904</u>

Manufacturing Tax Deduction

Neither WPSC nor Commission staff have included any adjustments to the manufacturing tax deduction (IRS § 199 deduction) that may be affected by the completion of the Crane Creek Wind Project in revenue requirement estimates. The estimates are uncertain at this time and

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therefore it is appropriate to continue deferral of the impacts that Crane Creek has on the IRS § 199 deductions for 2009 and 2010 until a future proceeding.

Other Deferrals

As a result of the ratemaking process, and with reasonable assurance by a regulatory commission of future cost recovery, utilities sometimes include allowable costs in a period other than the period in which those costs would normally be charged to expense. These differences usually relate to the timing of the recognition of a cost. The result of these timing differences is the creation of deferred accounts. The Commission's policy on deferred accounts is set forth in the Commission's Statement of Position, SOP 94-01. Appendix E is a list of those deferred accounts approved for WPSC, the amortization period, and the amount of Wisconsin jurisdictional 2010 test year amortization expense.

Cost of Service, Electric Revenue Allocation and Rate Design

The Commission continues to rely on the results of a variety of electric cost of service studies along with the other information presented in this rate proceeding as a guide in determining revenue allocation and setting rates. The Commission routinely allocates revenue considering factors in addition to the cost-of-service studies. These factors include customer bill impacts, marginal energy cost, and rate comparability with other utilities. Based on the overall weighing of all of these factors, it is reasonable to assign the electric revenue changes as shown in Appendix B. The electric revenue allocation for the major customer groups is an approximate 0.7 percent increase for the small use customer classes, which include residential, small commercial and lighting customers, an approximate 1.2 percent increase for the medium commercial customer classes, and an approximate 2.6 percent decrease for the large commercial and industrial customer classes. The electric revenue allocation and rate design shown in

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Appendix B for all of WPSC's electric rate classes are reasonable and appropriately reflect the Commission's consideration of all of these factors.

2005 Wisconsin Act 141 Costs in Base Rates

The \$12,956,603 of conservation costs associated with Act 141 included in the 2010 test year electric revenue requirement must be allocated differently to "large energy customers"¹ and non-large customers, due to a statutory limitation on how much the large customers pay for these Act 141 costs. Act 141 specifies that the large energy customer payment caps be adjusted by the lesser of inflation or the change in a utility's revenue from the prior year. WPSC's revenue increase from 2007 to 2008 was greater than the 3.8 percent inflation rate from 2007 to 2008. Therefore, the 2010 customer payment cap applicable to the large energy customers of WP&L is increased by 3.8 percent from the amount the large energy customers paid for Act 141 costs in 2005.

WPSC has large energy customers that receive service under the Rg-1, Rg-2, Rg-3, Cg-1, Cg-2, Cg-3, Cg-4, Cg-5, Cg-20, Cp, Gy-1, Gy-3, Ms-1, and Ms-3 electric rate schedules. The Act 141 costs in base rates for the Rg-1, Rg-2 and Rg-3 rate classes is \$0.00134 per kWh. The Act 141 costs in base rates for the Cg-1, Cg-2, Cg-3, Cg-4, Cg-5, Cg-20, Cp, Gy-1, Gy-3, Ms-1, and Ms-3 rate classes is \$0.00180 per kWh. These Act 141 rate factors are not billed to the large energy customers. Instead, large energy customers pay the specific conservation costs that they paid in 2005, adjusted for the increase of 3.8 percent, as explained above. The authorized change in rates as shown in Appendix B eliminates any deferral for the revenue reduction impacts of

¹ Under Wis. Stat. § 196.374(1)(em), a large energy customer is defined as a customer whose facility consumes at least 1,000 kilowatts of electricity per month or at least 10,000 dekatherms of natural gas per month and who is billed at least \$60,000 in a month for electric and natural gas services. All accounts of a company that qualifies as a large energy customer are treated as a large energy customer for billing purposes.

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Act 141, in test year 2010. This deferral had been part of the Stipulation accepted by the Commission in docket 6690-UR-119.

Electric Rate Design

Commission staff's electric rate design as adjusted for the final revenue requirement and the revenue allocation summarized above is reasonable. It is reasonable to maintain all of the customer charges at their current levels. The energy charges for the small use customer classes are increased. Increases to the customer classes with both demand and energy charges, including revised energy charges, and no increases for the demand charges are reasonable. A separate line item reflecting the fuel cost over-recovery credit is approved and will be in effective from January 1, 2010, until December 31, 2010. All of the electric rates are shown in Appendix B.

It is clear that energy efficiency and demand response initiatives will play an increasingly important role in the future as emissions of pollutants that result from the production of electricity are restricted. The Commission believes that it is important to send price signals to consumers at this time that electric energy will be relatively more expensive in the future due to restrictions on these emissions. In the Final Decision issued in docket 6690-UR-119 on December 30, 2008, the Commission approved rate designs for the small customer classes which included decreases in monthly customer charges and offsetting increases in energy charges. The Commission finds that it is reasonable to continue to advance that policy direction by approving electric rate designs in this rate proceeding in which a relatively greater proportion of increases in revenue are collected through increases in energy charges as opposed to increases in demand charges.

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WPSC proposed reestablishing the prior rate relationship of equal energy charges for the small energy-only rate classes. Commission staff proposed moving these energy charges closer together, but not setting them equal at this time due to the greater differential impacts on some of the rate classes. The Commission supports the goal of making these energy charges equal in the next rate case, but determined that moving these energy charges closer together at this time is reasonable.

The current on-peak and off-peak pricing periods for TOD rate schedules were adopted by the Commission about thirty years ago. During the intervening period, the industry has developed and implemented improved modeling techniques for assessing system reliability. In addition, the operation of the MISO energy market has provided several years of accurate data on marginal energy costs and patterns of regional system costs. Commission staff suggested that the TOD rate structures might provide more efficient prices if the current relatively simple pricing periods were split into additional pricing periods. The Commission finds that it is reasonable for WPSC to submit an analysis by September 1, 2010, of splitting the current TOD pricing periods into additional pricing periods and a plan for implementation of such pricing periods in 2011.

WPSC has bid its interruptible loads into the MISO energy market for several years as price sensitive load. Commission staff proposed that the Commission order WPSC to bid its direct load control programs into the MISO market in a similar manner as this would provide additional benefits from these programs. It is reasonable for WPSC to submit a proposal to do so by September 1, 2010, with implementation in 2011.

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WPSC's Cp-I2 Large Commercial and Industrial Rider includes a provision under which certain grandfathered customers have been grandfathered for eleven years and are limited to experiencing no more than 300 hours of interruptions per year. This provision is discriminatory, and it is reasonable to remove it.

WPSC proposed increasing the charge for a 100 kWh block of energy purchased under its NatureWise tariff from the current \$1.00 per block to \$1.75 per block. The Commission determined that it is more appropriate to gradually change this rate, which is consistent with its decision in the recent Madison Gas and Electric Company rate case in docket 3270-UR-116. Therefore, this rate is increased to \$1.25 per block.

Commissioner Azar dissents, preferring an increase to \$1.75 per block to better align the premium with the incremental cost of renewable energy.

WPSC proposed limits on the total number of renewable energy blocks sold under the NatureWise tariff and limits on the number of renewable energy blocks sold to each customer. WPSC also proposed tariff language regarding whether renewable energy sold under the NatureWise tariff should be counted toward its renewable portfolio standard. The proposal limiting the number of renewable energy blocks sold to an individual customer is reasonable, but the Commission does not agree that capping the overall program is appropriate. WPSC is unlikely to exceed the overall limits it proposed in the next year.

WPSC's NatureWise tariff is similar to the renewable tariffs of the other large private utilities in Wisconsin, except that it currently requires any fuel surcharges or credits be added to the bill for purchases of renewable energy under this tariff. Commission staff proposed eliminating the impact of any fuel surcharges or credits on the customers that buy renewable

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energy under this tariff consistent with the tariffs that the Commission has authorized for other utilities. WPSC opposed this change. The Commission finds that it is reasonable to eliminate language that imposes fuel surcharges or credits on customer purchases of renewable energy under the NatureWise tariff.

Natural Gas Rates

Natural Gas COSS

COSS were initially prepared in docket 6690-UR-119; however, the Final Decision issued in this docket dated December 30, 2008, authorized a \$3,000,000 decrease in natural gas revenues by prorating the decrease to the various service rate classes based on their respective distribution margin revenues. The volumetric gas distribution rates were reduced to decrease revenue recovery from the various service rate classes based on the pro rata decreases.

Natural gas revenues were also decreased by an additional amount estimated at \$400,000 to reflect the reduction in the fixed customer service charges and the basis reduction not recoverable by an increase in volumetric rates, as set forth in Exhibit 93, the decoupling stipulation between WPSC and CUB for the implementation of the Gas Revenue Stabilization Mechanism (RSM).²

In this limited reopener, the incremental revenue requirement of \$13,471,904 was allocated to the service rate classes and the volumetric rates were adjusted accordingly. The allocations of the incremental revenue requirement were determined on a pro rata basis using the following test year estimates: (1) the margin revenues of all service rate classes, (2) the margin revenues of decoupled service rate classes and (3) the volumetric sales to non-large commercial energy customers. The revenue requirement associated with pensions and lost sales to electric

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generation of \$3,711,108 was allocated to all service rate classes based on the authorized 6690-UR-119 distribution margin revenues with minor adjustments.

The revenue requirement associated with payments to FOE of \$8,079,166 was allocated to the decoupled service rate classes based on the margin revenues of decoupled service rate classes. Under the decoupling stipulation, WPSC and CUB agreed that the additional FOE contributions would be allocated to the classes which would benefit from the contributions.³

The revenue requirement associated with the Act 141 deferral of \$1,681,630 was allocated to the commercial customer classes based on the percentage of the total forecasted volume sales of the non-large energy customers of the commercial customer classes.

Natural Gas Rates

The authorized increase in rates reflects an adjustment to current rates determined by dividing the incremental revenue requirement allocations by the various service rate class volumes. This determination is consistent with the decrease in rates authorized in the Final Decision, dated December 30, 2008, previously issued in docket 6690-UR-119, in which a decrease of \$3,000,000 was allocated to the various service rate classes based on their respective current distribution margin revenues. The volumetric distribution rates were adjusted accordingly. This approach is also consistent with the decoupling stipulation which provided that the fixed customer charges of the decoupled rate classes shall remain in effect through December 31, 2012.⁴

² The Final Decision issued in docket 6690-UR-119, dated December 30, 2008, page 23.

³ Item 3.a. of The Second Revised Energy Efficiency Stipulation of Wisconsin Public Service Corporation and Citizens Utility Board. A copy of this stipulation was attached as Appendix E to the Final Decision issued in docket 6690-UR-119, dated December 30, 2008.

⁴ Item 6 of The Second Revised Energy Efficiency Stipulation of Wisconsin Public Service Corporation and Citizens Utility Board. A copy of this stipulation was attached as Appendix E to the Final Decision issued in docket 6690-UR-119, dated December 30, 2008.

The authorized natural gas rates are set forth in Appendix C. This appendix includes a summary of the cost allocations and the revenue impacts on a service rate class basis. This appendix also includes some typical residential natural gas bills computed to compare existing rates with new rates, including the cost of natural gas. These rates are reasonable and just.

Effective Date

The test year commences on January 1, 2010. Under Wis. Stat. § 196.40, an order of the Commission shall take effect 20 days after it has been filed and served on the parties to the proceeding unless the Commission specifies a different effective date in the order. The Commission finds it reasonable for this Interim Decision to take effect one day after the date of mailing.

The Commission finds it reasonable for the rate changes and associated rules authorized in this Interim Decision to take effect on January 1, 2010, provided that these rates and rules are filed with the Commission and placed in all offices and pay stations of the utility by that date. If the authorized rate changes and associated rules are not filed with the Commission and placed in all offices and pay stations by that date, it is reasonable to require that they take effect on the date they are filed with the Commission and placed in all offices and pay stations.

Order

1. This Interim Decision shall take effect one day after the date of mailing. The rate changes and associated rules authorized in this Interim Decision shall take effect on January 1, 2010, provided that these rates and rules are filed with the Commission and placed in all offices and pay stations of the utility by that date. If the authorized rate changes and associated rules are not filed with the Commission and placed in all offices and pay stations by that date, they shall

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take effect on the date they are filed with the Commission and placed in all offices and pay stations. Any rate decreases and associated rules authorized in this Interim Decision shall take effect on January 1, 2010.

2. WPSC is authorized to substitute for its existing rates for retail electric and natural gas service, the rate changes contained in Appendices B and C. These changes shall be in effect until the issuance of an order by the Commission establishing new rates.

3. WPSC shall prepare bill inserts that appropriately identify the rates authorized in this Interim Decision. WPSC shall distribute the inserts to customers no later than the first billing containing these rates. WPSC shall file copies of these inserts with the Commission before it distributes the inserts to customers.

4. The fuel costs in Appendix D shall be used for monitoring of WPSC's 2010 fuel costs, pursuant to Wis. Admin. Code ch. PSC 116.

5. Fuel costs for 2010 shall be monitored using the following ranges: plus or minus 8 percent monthly; cumulative ranges of plus or minus 8 percent for the first month of the year, plus or minus 5 percent for the second month of the year, and plus or minus 2 percent for the remaining months of the year; and plus or minus 2 percent for the annual range.

6. A decision on the Weston 4 Power Plant performance issue is laid over to a future phase of these proceedings or to a future proceeding.

7. The cost of natural gas used for electric generating purposes shall be estimated by averaging the November 16, 2009, NYMEX futures price and the estimated 2009 natural gas prices, which are based on January through August 2009 actual settlement prices and 2009 future prices as of August 25, 2009, for September through December.

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8. WPSC shall submit to the Commission an analysis by September 1, 2010, of splitting the current TOD pricing periods into additional pricing periods and a plan for implementation of such pricing periods in 2011.

9. WPSC shall submit a plan to the Commission by September 1, 2010, to bid its direct load control program and interruptible loads into the MISO energy market as price sensitive loads with implementation in 2011.

10. The provision in the Cp-I2 Large Commercial and Industrial Rider that limits grandfathered customers to 300 hours of interruptions per year shall be removed.

11. Under the NatureWise tariff, WPSC may limit the number of renewable energy blocks sold to an individual customer, but may not limit the total number of renewable energy blocks sold.

12. WPSC shall eliminate language that imposes fuel surcharges or credits on customer purchases of renewable energy under the NatureWise tariff.

13. Jurisdiction is retained.

Dated at Madison, Wisconsin, December 22, 2009

By the Commission:


Sandra J. Paske
Secretary to the Commission

SJP:CCS:RJH:mem:g:\order\pending\6690-FR-101, 6690-FR-102, 6690-UR-119 Final.doc

See attached Notice of Rights

PUBLIC SERVICE COMMISSION OF WISCONSIN
610 North Whitney Way
P.O. Box 7854
Madison, Wisconsin 53707-7854

**NOTICE OF RIGHTS FOR REHEARING OR JUDICIAL REVIEW, THE
TIMES ALLOWED FOR EACH, AND THE IDENTIFICATION OF THE
PARTY TO BE NAMED AS RESPONDENT**

The following notice is served on you as part of the Commission's written decision. This general notice is for the purpose of ensuring compliance with Wis. Stat. § 227.48(2), and does not constitute a conclusion or admission that any particular party or person is necessarily aggrieved or that any particular decision or order is final or judicially reviewable.

PETITION FOR REHEARING

If this decision is an order following a contested case proceeding as defined in Wis. Stat. § 227.01(3), a person aggrieved by the decision has a right to petition the Commission for rehearing within 20 days of mailing of this decision, as provided in Wis. Stat. § 227.49. The mailing date is shown on the first page. If there is no date on the first page, the date of mailing is shown immediately above the signature line. The petition for rehearing must be filed with the Public Service Commission of Wisconsin and served on the parties. An appeal of this decision may also be taken directly to circuit court through the filing of a petition for judicial review. It is not necessary to first petition for rehearing.

PETITION FOR JUDICIAL REVIEW

A person aggrieved by this decision has a right to petition for judicial review as provided in Wis. Stat. § 227.53. In a contested case, the petition must be filed in circuit court and served upon the Public Service Commission of Wisconsin within 30 days of mailing of this decision if there has been no petition for rehearing. If a timely petition for rehearing has been filed, the petition for judicial review must be filed within 30 days of mailing of the order finally disposing of the petition for rehearing, or within 30 days after the final disposition of the petition for rehearing by operation of law pursuant to Wis. Stat. § 227.49(5), whichever is sooner. If an *untimely* petition for rehearing is filed, the 30-day period to petition for judicial review commences the date the Commission mailed its original decision.¹ The Public Service Commission of Wisconsin must be named as respondent in the petition for judicial review.

If this decision is an order denying rehearing, a person aggrieved who wishes to appeal must seek judicial review rather than rehearing. A second petition for rehearing is not permitted.

Revised: December 17, 2008

¹ See *State v. Currier*, 2006 WI App 12, 288 Wis. 2d 693, 709 N.W.2d 520.

APPENDIX A
(CONTESTED)

In order to comply with Wis. Stat. § 227.47, the following parties who appeared before the agency are considered parties for purposes of review under Wis. Stat. § 227.53.

PUBLIC SERVICE COMMISSION OF WISCONSIN

(Not a party, but documents must be filed with the Commission)

610 North Whitney Way

P.O. Box 7854

Madison, WI 53707-7854

Please file documents using the Electronic Regulatory Filing (ERF) system which may be accessed through the PSC website: <http://psc.wi.gov>.

WISCONSIN PUBLIC SERVICE CORPORATION

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Foley and Lardner, LLP

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MANITOWOC PUBLIC UTILITIES

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Dockets 6690-FR-101, 6690-FR-102, 6690-UR-119

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WISCONSIN END-USER GAS AND ELECTRIC ASSOCIATION

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Paul G. Kent
Anderson & Kent, S.C.
1 North Pinckney Street, Suite 200
Madison, WI 53703

Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC REVENUE BY RATE CLASS

Rate Classes	Rate Schedule	Present Revenue	Authorized Revenue	Revenue Change	Percent Change
Residential Classes					
Residential Urban	Rg-1	\$227,373,967	\$228,800,287	\$1,426,320	0.63%
Residential Rural	Rg-2	123,102,239	123,405,828	303,589	0.25%
Urban Residential Optional TOU	Rg-3-OTOU	7,749,422	\$7,784,211	34,790	0.45%
Rural Residential Optional TOU	Rg-4-OTOU	10,832,070	10,853,595	21,525	0.20%
		\$369,057,698	\$370,843,922	\$1,786,223	0.48%
Small Commercial Classes					
Small C&I - Urban (<50 KW)	Cg-1	\$75,578,672	\$76,555,414	\$976,742	1.29%
Small C&I - Rural (<50 KW)	Cg-2	37,790,424	38,217,753	427,329	1.13%
Urban Small C&I Optional TOU	Cg-3-OTOU	5,357,496	5,410,698	53,202	0.99%
Rural Small C&I Optional TOU	Cg-4-OTOU	4,091,829	4,130,999	39,170	0.96%
		\$122,818,420	\$124,314,864	\$1,496,444	1.22%
Medium Commercial & Industrial					
Small C&I - Rural (50 < KW> 100)	Cg-5	\$36,555,711	\$36,938,257	\$382,546	1.05%
Cg TOU 100-1000 kW	Cg-20-TOU	202,518,317	204,889,232	2,370,915	1.17%
		\$239,074,027	\$241,827,489	\$2,753,461	1.15%
Large Commercial & Industrial					
Cp Class	Cp	\$240,517,176	\$234,207,969	(\$6,309,207)	-2.62%
		\$240,517,176	\$234,207,969	(\$6,309,207)	-2.62%
Misc Rate Schedules					
Residential Space HTG	Rc-S1	\$11,732	\$11,651	(\$81)	-0.69%
C&I Space HTG	Cg-S1	7,111	7,178	67	0.94%
Automatic Transfer Switch	ATS-1	41,040	41,040	0	0.00%
Parallel Generation	Pg	1,728	1,728	0	0.00%
Naturewise-Residential	NAT-R	65,486	81,858	16,372	25.00%
Naturewise-Farm	NAT-F	204	255	51	25.00%
Naturewise-Commercial	NAT-C	89,584	111,980	22,396	25.00%
		\$216,885	\$255,689	\$38,804	
Lighting					
Private Outdoor Lighting	Gy-1	\$1,136,049	\$1,156,287	\$20,238	1.78%
Private Area Lighting	Gy-3	3,286,296	3,341,342	55,046	1.68%
Municipal Street Lighting	Ms-1	8,728,521	8,881,540	153,019	1.75%
Municipal Street Lighting Maint	Ms-3	464,011	469,590	5,579	1.20%
Municipal Ornamental Street Lighting	Ms-31	21,473	21,665	192	0.89%
		\$13,636,350	\$13,870,424	\$234,074	1.72%
Total Revenue		\$985,320,557	\$985,320,356	(\$200)	0.00%

**Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES**

Rate Schedules, Rate Classes & Rate Descriptions		Present Rates	Authorized Rates
Rg-1 RESIDENTIAL - Urban			
Equivalent Monthly Customer Charge:	Single-phase	\$5.70	\$5.70
	Three-phase	\$9.70	\$9.70
Daily Customer Charge:	Single-phase	\$0.1874	\$0.1874
	Three-phase	\$0.3189	\$0.3189
Energy Charge (per kWh)		\$0.11739	\$0.11983
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)		\$0.00134	\$0.00134
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00068	\$0.00070
Rg-2 RESIDENTIAL - Rural			
Equivalent Monthly Customer Charge:	Single-phase	\$7.00	\$7.00
	Three-phase	\$11.00	\$11.00
Daily Customer Charge:	Single-phase	\$0.2301	\$0.2301
	Three-phase	\$0.3616	\$0.3616
Energy Charge (per kWh)		\$0.11855	\$0.12052
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)		\$0.00134	\$0.00134
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00062	\$0.00064
Rg-3 OTOU RESIDENTIAL OPTIONAL TOU - Urban			
Equivalent Monthly Customer Charge:	Single-phase	\$5.70	\$5.70
	Three-phase	\$9.70	\$9.70
Daily Customer Charge:	Single-phase	\$0.1874	\$0.1874
	Three-phase	\$0.3189	\$0.3189
Energy Charge (per kWh):			
On Peak		\$0.21422	\$0.21867
Off Peak		\$0.06182	\$0.06310
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Water Heater:			
Control Charge		\$4.80	\$4.80
Control Charge - Seasonal		\$9.60	\$9.60
Act 141 \$ in Base Rates (per kWh)		\$0.00134	\$0.00134
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00052	\$0.00052

Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
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Rg-4 OTOU RESIDENTIAL
OPTIONAL TOU - Rural

Equivalent Monthly Customer Charge:	Single-phase	\$7.00	\$7.00
	Three-phase	\$11.00	\$11.00
Daily Customer Charge:	Single-phase	\$0.2301	\$0.2301
	Three-phase	\$0.3616	\$0.3616
Energy Charge (per kWh):			
On Peak		\$0.21442	\$0.21867
Off Peak		\$0.06202	\$0.06310
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Water Heater:			
Control Charge		\$4.80	\$4.80
Control Charge - Seasonal		\$9.60	\$9.60
Act 141 \$ in Base Rates (per kWh)		\$0.00134	\$0.00134
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00052	\$0.00052

Cg-1 SMALL C&I (<50 KW)

Equivalent Monthly Customer Charge:	Single-phase	\$7.25	\$7.25
	Three-phase	\$10.25	\$10.25
Daily Customer Charge:	Single-phase	\$0.2384	\$0.2384
	Three-phase	\$0.3370	\$0.3370
Energy Charge (per kWh)		\$0.11534	\$0.11855
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)		\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00056	\$0.00058

Cg-2 SMALL C&I (<50 KW)

Equivalent Monthly Customer Charge:	Single-phase	\$8.50	\$8.50
	Three-phase	\$11.50	\$11.50
Daily Customer Charge:	Single-phase	\$0.2795	\$0.2795
	Three-phase	\$0.3781	\$0.3781
Energy Charge (per kWh)		\$0.11580	\$0.11882
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)		\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00062	\$0.00064

Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES

Rate Schedules, Rate Classes & Rate Descriptions		Present Rates	Authorized Rates
Cg-5 SMALL C&I (50 < KW > 100)			
Equivalent Monthly Customer Charge:	Single-phase	\$15.00	\$15.00
	Three-phase	\$19.00	\$19.00
Daily Customer Charge:	Single-phase	\$0.4932	\$0.4932
	Three-phase	\$0.6247	\$0.6247
Energy Charge (per kWh)		\$0.10002	\$0.10275
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)		\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00050	\$0.00052
Cg-3 OTOU C&I OPTIONAL TOU - Urban			
Equivalent Monthly Customer Charge:	Single-phase	\$7.25	\$7.25
	Three-phase	\$10.25	\$10.25
Daily Customer Charge:	Single-phase	\$0.2384	\$0.2384
	Three-phase	\$0.3370	\$0.3370
Energy Charge (per kWh):			
On Peak		\$0.21285	\$0.21788
Off Peak		\$0.06045	\$0.06227
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Water Heater:			
Control Charge		\$4.80	\$4.80
Control Charge - Seasonal		\$9.60	\$9.60
Act 141 \$ in Base Rates (per kWh)		\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00052	\$0.00054
Cg-4 OTOU C&I OPTIONAL TOU - Rural			
Equivalent Monthly Customer Charge:	Single-phase	\$8.50	\$8.50
	Three-phase	\$11.50	\$11.50
Daily Customer Charge:	Single-phase	\$0.2795	\$0.2795
	Three-phase	\$0.3781	\$0.3781
Energy Charge (per kWh):			
On Peak		\$0.21288	\$0.21788
Off Peak		\$0.06048	\$0.06227
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Water Heater:			
Control Charge		\$4.80	\$4.80
Control Charge - Seasonal		\$9.60	\$9.60
Act 141 \$ in Base Rates (per kWh)		\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00064	\$0.00066

Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES

Rate Schedules, Rate Classes & Rate Descriptions		Present Rates	Authorized Rates
Cg-20-TOU C&I (100-1000 kW)			
Equivalent Monthly Customer Charge:	Secondary	\$30.50	\$30.50
	Primary	\$58.30	\$58.30
Daily Customer Charge:	Secondary	\$1.0027	\$1.0027
	Primary	\$1.9167	\$1.9167
Customer Demand Charge		\$1.407	\$1.407
Standby Demand Charge		\$1.840	\$1.840
System Demand Charge:	Summer	\$10.670	\$10.670
	Winter	\$7.312	\$7.312
Energy Charge (per kWh):			
On Peak		\$0.06875	\$0.07220
Off Peak		\$0.04120	\$0.04338
Energy Limiter		\$0.16997	\$0.17082
Fuel Cost Over-Recovery Credit (per kWh)		\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)		\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)		\$0.00034	\$0.00035
Cp LARGE C&I (>1000 kW)			
Equivalent Monthly Customer Charge:	Secondary	\$322.00	\$322.00
	Primary	375.00	375.00
	Transmission	858.00	858.00
Daily Customer Charge:	Secondary	\$10.5863	\$10.5863
	Primary	\$12.3288	\$12.3288
	Transmission	\$28.2082	\$28.2082
Distribution Demand Charge:			
Secondary		\$1.957	\$1.957
Primary		\$1.722	\$1.722
Substation - Transformer Capacity Charge:			
Transmission		\$0.583	\$0.583
Standby Demand Charge		\$3.50	\$3.50
System Demand Charge:			
Peak:			
Summer (Sec.)		\$10.758	\$10.758
Summer (Pri.)		10.484	10.484
Summer (Trans.)		10.295	10.295
Winter (Sec.)		5.918	5.918
Winter (Pri.)		5.768	5.768
Winter (Trans.)		5.663	5.663
Intermediate:			
Summer (Sec.)		\$8.069	\$8.069
Summer (Pri.)		7.863	7.863
Summer (Trans.)		7.721	7.721
Winter (Sec.)		4.439	4.439
Winter (Pri.)		4.326	4.326
Winter (Trans.)		4.247	4.247

**Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES**

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
Cp LARGE C&I (>1000 kW) – continued		
Interruptible Demand Charge ¹		
Summer (Sec.)	\$4.457	\$4.457
Summer (Pri.)	4.183	4.183
Summer (Trans.)	3.994	3.994
Winter (Sec.)	2.767	2.767
Winter (Pri.)	2.617	2.617
Winter (Trans.)	2.512	2.512
Interruptible Credit ¹		
Summer	(6.301)	(6.301)
Winter	(3.151)	(3.151)
Note ¹ Interruptible Demand = Net of Firm Demand & Interruptible Credit		
Energy Charge:		
On-Peak (Secondary)	\$0.06134	\$0.06233
On-Peak (Primary)	0.05982	0.06068
On-Peak (Transmission)	0.05907	0.05985
Off-Peak (Secondary)	0.03283	0.03344
Off-Peak (Primary)	0.03208	0.03255
Off-Peak (Transmission)	0.03169	0.03211
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Power Factor Discount (Pri, Sec, Trans)	92.44%	92.44%
Act 141 \$ in Base Rates (per kWh)	\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)	\$0.00023	\$0.00024

Gy-1 PRIVATE STREET LIGHTING

Mercury Vapor		
7000 Lumens (100)	\$17.00	\$17.39
11,000 Lumens (150W)	19.28	19.72
20,000 Lumens (400W)	23.80	24.35
Sodium Vapor		
9,000 Lumens (100W)	17.00	17.39
14,000 Lumens (150W)	19.28	19.72
27,000 Lumens (250 W)	23.80	24.35
45,000 Lumens (400W)	32.95	33.71
Wood Poles	4.84	4.95
Fiberglass Poles 25' / 20'	7.89	8.07
Fiberglass Poles 30' / 25'	10.69	10.94
Fiberglass Poles 35' / 30'	13.39	13.70
Fiberglass Poles 40' / 35'	22.28	22.79
Spans	2.09	2.14
Excess Footage - Mast Arm	0.22	0.23
Discounts:		
Mercury Vapor		
7000 Lumens (100W)	(2.23)	(2.28)
11,000 Lumens (150W)	(3.09)	(3.16)
20,000 Lumens (400W)	(4.87)	(4.98)

**Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES**

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
Gy-1 PRIVATE STREET LIGHTING -- (continued)		
Discounts (continued):		
Sodium Vapor		
9,000 Lumens (100W)	(1.23)	(1.26)
14,000 Lumens (150W)	(1.83)	(1.87)
27,000 Lumens (250 W)	(3.13)	(3.20)
45,000 Lumens (400 W)	(4.98)	(5.09)
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)	\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)	\$0.00135	\$0.00140
Gy-3 PRIVATE AREA LIGHTING		
Mercury Vapor		
7000 Lumens (100W) Area	\$12.25	\$12.53
20,000 Lumens (150W) Area	22.14	22.65
20,000 Lumens (150W) Directional	25.18	25.76
57,000 Lumens (400W) Directional	49.84	50.99
Sodium Vapor		
9,000 Lumens (100W) Area	12.25	12.53
14,000 Lumens (150W) Area	15.18	15.53
27,000 Lumens (250 W) Directional	29.37	30.05
45,000 Lumens (400W) Directional	35.95	36.78
Metal Halide		
36,000 Lumens (400W)	35.70	36.52
110,000 Lumens (1000 W)	54.25	55.50
Wood Poles	4.84	4.95
Fiberglass Poles 25' / 20'	7.89	8.07
Fiberglass Poles 30' / 25'	10.69	10.94
Fiberglass Poles 35' / 30'	13.39	13.70
Fiberglass Poles 40' / 35'	22.28	22.79
Spans	2.09	2.14
Discounts:		
Mercury Vapor		
7000 Lumens (100W)	(2.23)	(2.28)
11,000 Lumens (150W)	(4.87)	(4.98)
Sodium Vapor		
9,000 Lumens (100W)	(1.30)	(1.33)
14,000 Lumens (150W)	(1.83)	(1.87)
27,000 Lumens (250 W)	(3.13)	(3.20)
45,000 Lumens (400W)	(4.98)	(5.09)
Metal Halide		
36,000 Lumens (400W)	(4.81)	(4.92)
110,000 Lumens (1000 W)	(10.12)	(10.35)
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)	\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)	\$0.00135	\$0.00140

Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
Ms-1 STREET LIGHTING		
Mercury Vapor		
7000 Lumens (100W)	\$17.00	\$17.39
11,000 Lumens (150W)	19.28	19.72
20,000 Lumens (250W)	23.80	24.35
Sodium Vapor		
9,000 Lumens (100W)	17.00	17.39
14,000 Lumens (150W)	19.28	19.72
27,000 Lumens (250 W)	23.80	24.35
45,000 Lumens (400W)	32.95	33.71
Metal Halide		
36,000 Lumens (400W)	32.95	33.71
Fixtures		
Acom / New Haven (9,000 Lumen)	2.20	2.25
Dorchester (9,000 Lumen)	4.13	4.22
Traditionaire (9,000 Lumen)	1.47	1.50
Traditionaire (14,000 Lumen)	1.79	1.83
Shoe Box (14,000 Lumen)	2.92	2.99
Shoe Box (27,000 Lumen)	3.64	3.72
Shoe Box (45,000 Lumen)	5.73	5.86
Westminster (9,000 Lumen)	2.64	2.70
Discounts:		
Mercury Vapor		
7000 Lumens (100W)	(2.23)	(2.28)
11,000 Lumens (150W)	(3.09)	(3.16)
20,000 Lumens (250W)	(4.87)	(4.98)
38,000 Lumens (400 W)	(8.24)	(8.43)
57,000 Lumens (1000 W)	(11.64)	(11.91)
Sodium Vapor		
9,000 Lumens (100W)	(1.30)	(1.33)
14,000 Lumens (150W)	(1.94)	(1.98)
27,000 Lumens (250 W)	(3.32)	(3.40)
45,000 Lumens (400W)	(4.98)	(5.09)
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)	\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)	\$0.00135	\$0.00140

**Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES**

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
Ms-3 CUSTOMER OWNED ST. LIGHTING		
Mercury Vapor		
7000 Lumens (100W)	\$13.73	\$14.05
11,000 Lumens (150W)	16.55	16.93
20,000 Lumens (250W)	21.16	21.65
38,000 Lumens (400 W)	27.76	28.40
Sodium Vapor		
9,000 Lumens (100W)	11.30	11.56
14,000 Lumens (150W)	13.26	13.56
27,000 Lumens (250 W)	16.99	17.38
45,000 Lumens (400W)	21.76	22.26
Part Night Credit:		
Mercury Vapor		
7000 Lumens (100W)	(0.20)	(0.20)
11,000 Lumens (150W)	(0.27)	(0.28)
20,000 Lumens (250W)	(0.43)	(0.44)
38,000 Lumens (400 W)	(0.73)	(0.75)
Sodium Vapor		
9,000 Lumens (100W)	(0.11)	(0.11)
14,000 Lumens (150W)	(0.16)	(0.16)
27,000 Lumens (250 W)	(0.30)	(0.31)
45,000 Lumens (400W)	(0.47)	(0.48)
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Act 141 \$ in Base Rates (per kWh)	\$0.00111	\$0.00180
Approx. Act 141 \$ in Lg.Cust. Rates (per kWh)	\$0.00135	\$0.00140
Ms-31 MUNICIPAL ORNAMENTAL LIGHTING		
(Closed)		
Energy Charge	\$0.06261	\$0.06482
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
RC-S1 RESIDENTIAL CONTROLLED SPACE HEATING		
Equivalent Monthly Customer Charge	\$6.23	\$6.23
Daily Customer Charge	\$0.2048	\$0.2048
Energy Charge	\$0.06515	\$0.06630
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)

**Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES**

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
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CG-S1 SMALL C&I**CONTROLLED SPACE HEATING**

Equivalent Monthly Customer Charge	\$6.23	\$6.23
Daily Customer Charge	\$0.2048	\$0.2048
Energy Charge	\$0.06304	\$0.06530
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)

NATURE WISE

NAT-R	\$1.00	\$1.25
NAT-F	\$1.00	\$1.25
NAT-C	\$1.00	\$1.25

ATS - AUTOMATIC TRANSFER SWITCH

Monthly Customer Charge:		
Total Charge	\$650.00	\$650.00
Maintenance Only	\$210.00	\$210.00

PARALLEL GENERATION

Equivalent Monthly Customer Charge	\$8.00	\$8.00
Daily Customer Charge	\$0.2630	\$0.2630
On-Peak Energy Payment:		
Delivery at Secondary Voltage	\$0.09407	\$0.09407
Delivery at Primary Voltage	\$0.09623	\$0.09623
Delivery at Trans. Voltage	\$0.09504	\$0.09504
Off-Peak Energy Payment:		
Delivery at Secondary Voltage	\$0.03722	\$0.03722
Delivery at Primary Voltage	\$0.03805	\$0.03805
Delivery at Trans. Voltage	\$0.03762	\$0.03762
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)

Rg-5 OTOU URBAN RESIDENTIAL**OPTIONAL 3-Tier TOU**

All Customer Charges	Same as Rg-3	Same as Rg-3
Energy Charges:		
On-Peak	\$0.23287	\$0.26022
Standard	\$0.10911	\$0.11983
Off-Peak	\$0.06721	\$0.07230
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)

Rg-6 OTOU RURAL RESIDENTIAL**OPTIONAL 3-Tier TOU**

All Customer Charges	Same as Rg-4	Same as Rg-4
Energy Charges:		
On-Peak	\$0.23287	\$0.26022
Shoulder	\$0.10911	\$0.11983
Off-Peak	\$0.06721	\$0.07230
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)

**Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES**

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
Rg-RR, RESPONSE REWARDS		
All Customer Charges	Same as Rg	Same as Rg
Energy Charges:		
Critical Peak	\$0.45000	\$0.45000
On-Peak	\$0.19109	\$0.21853
Off-Peak	\$0.06721	\$0.07230
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Cg-1-RR, RESPONSE REWARDS		
All Customer Charges	Same as Cg-1	Same as Cg-1
Energy Charges:		
Critical Peak	\$0.45435	\$0.45000
On-Peak	\$0.19544	\$0.21853
Off-Peak	\$0.07156	\$0.07230
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Cg-2-RR, RESPONSE REWARDS		
All Customer Charges	Same as Cg-2	Same as Cg-2
Energy Charges:		
Critical Peak	\$0.45435	\$0.45000
On-Peak	\$0.19544	\$0.21853
Off-Peak	\$0.07156	\$0.07230
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Cg-5-RR, RESPONSE REWARDS		
All Customer Charges	Same as Cg-5	Same as Cg-5
Energy Charges:		
Critical Peak	\$0.45000	\$0.45000
On-Peak	\$0.15523	\$0.15567
Off-Peak	\$0.06236	\$0.06254
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Cg-20 RESPONSE REWARDS		
All Customer Charges	Same as Cg-20	Same as Cg-20
System Demand Charges:		
Summer	\$8.003	\$8.003
Winter	\$5.484	\$5.484
Energy Charges:		
Critical Peak	\$0.35000	\$0.35000
On-Peak	\$0.04265	\$0.05357
Off-Peak	\$0.03293	\$0.03900
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)

**Wisconsin Public Service Corporation
SUMMARY OF ELECTRIC RATES**

Rate Schedules, Rate Classes & Rate Descriptions	Present Rates	Authorized Rates
Cp-RR RESPONSE REWARDS		
All Customer Charges	Same as Cp	Same as Cp
System Demand Charge:	Unchanged	Unchanged
Energy Charge:		
Critical (Sec.)	\$0.35000	\$0.35000
Critical (Pri.)	\$0.34073	\$0.34073
Critical (Trans.)	\$0.33069	\$0.33069
On-Peak (Sec.)	\$0.04194	\$0.04863
On-Peak (Pri.)	\$0.04083	\$0.04734
On-Peak (Trans.)	\$0.04027	\$0.04670
Off-Peak (Sec.)	\$0.02562	\$0.03009
Off-Peak (Pri.)	\$0.02495	\$0.02930
Off-Peak (Trans.)	\$0.02461	\$0.02890
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)
Cp-ND NEXT DAY PRICING OPTION		
System Demand Charges:	Same as Cp	Same as Cp
Off-Peak Charges	Same as Cp	Same as Cp
On-Peak Charges:		
Critical Day		
Secondary	\$0.12092	\$0.13689
Primary	\$0.11772	\$0.13326
Transmission	\$0.11612	\$0.13145
Peak Day		
Secondary	\$0.07392	\$0.08338
Primary	\$0.07194	\$0.08116
Transmission	\$0.07086	\$0.08006
Mid-Economy Day		
Secondary	\$0.04701	\$0.05181
Primary	\$0.04577	\$0.05044
Transmission	\$0.04515	\$0.04975
Economy Day		
Secondary	\$0.03539	\$0.03200
Primary	\$0.03445	\$0.03115
Transmission	\$0.03398	\$0.03073
Fuel Cost Over-Recovery Credit (per kWh)	\$0.00000	(\$0.00165)

Wisconsin Public Service Corporation
Natural Gas Cost Allocation and Rate Impacts Summary by Customer Service Classes

Cost to Allocate to All Service Rate Classes:										
Amortization of 2009 Deferred Pension Asset Growth	\$	623,753								
Recognition of 2010 Deferred Pension Asset Growth Delta to Rate Case		2,899,621								
Sales Reduction for Electric Production	187,734	\$	3,711,108							
Cost to Allocate to the Decoupled Service Rate Classes:										
Amortization of 2009 Deferred FOE Payments	\$	2,997,925								
Recovery of 2010 FOE Payments	5,081,241	\$	8,079,166							
Act 141 Allocation Deferral		\$	1,681,630							
Rate Schedules	Volume	Margin Revenue	Percent of Total		Cost Allocation		Act 141 Deferral Allocation	Total Incremental Revenue	Volumetric Rate Adjustment	Overall Percent Increase
Revenue Decoupled Rate Classes										
Residential and Standard Commercial Service	255,871,528	\$ 103,242,475	70.22%	81.35%	\$ 2,605,766	\$ 6,572,178	\$ 180,644	\$ 9,358,589	\$ 0.0366	9.06%
Small Commercial Service	76,825,687	16,560,659	11.26%	13.05%	417,979	1,054,213	616,451	\$ 2,088,644	0.0272	12.61%
Medium Commercial Service	50,141,952	7,112,642	4.84%	5.60%	179,518	452,774	351,218	\$ 983,511	0.0196	13.83%
Customary Rate Classes										
Small Commercial Transport Customers	503,249	86,646	0.06%		2,187		\$ 3,360	\$ 5,547	0.0110	6.40%
Medium Commercial Interruptible Customers	2,963,964	346,303					\$ 21,798	\$ 21,798		
Medium Commercial Transport Customers	31,671,176	3,102,577					222,031	\$ 222,031		
Subtotal	34,635,140	\$ 3,448,880	2.35%		87,047		\$ 243,829	\$ 330,876	0.0096	9.59%
Large Commercial Customers	127,067,640	\$ 7,587,827	5.16%		191,511		\$ 233,632	\$ 425,143	0.0033	5.60%
Super Large Commercial Customers	156,086,807	6,170,336	4.20%		155,735		52,495	\$ 208,230	0.0013	3.37%
Contract Rates	N/A	N/A								
Interruptible Electric Generation	3,961,061	242,649								
Power Department	22,617,880	2,417,289								
Subtotal	26,578,941	\$ 2,659,938	1.81%		67,135		\$ 67,135		0.0025	2.52%
Coal Displacement Gas Transportation	3,500,000	167,578	0.11%		4,230		\$ 4,230		0.0012	2.52%
Total	731,210,944	\$ 147,036,982	100.00%	100.00%	\$ 3,711,108	\$ 8,079,166	\$ 1,681,630	\$ 13,471,904		9.16%

Wisconsin Public Service Corporation
Present and Authorized Natural Gas Rates

	Present Rates	Authorized Rates
<u>Residential</u>		
Daily Customer Charge - (Rg-3)	\$ 0.2301	\$ 0.2301
Daily Customer Charge - Seasonal Service (Rg-3)	\$ 0.4602	\$ 0.4602
Daily Customer Charge - (Rg-T)	\$ 0.3369	\$ 0.3369
Daily Transportaion Administrative Charge (Rg-T)	\$ 1.2329	\$ 1.2329
Volumetric Charges:		
Distribution Service Charge - (Rg-3)	\$ 0.2685	\$ 0.3051
Distribution Service Charge - (Rg-T)	\$ 0.2247	\$ 0.2247
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
Gas Acquisition Charge (Rg-3)	\$ 0.0368	\$ 0.0368
<u>Standard Commercial (Cg-FST, Annual Usage < 2,000 therms)</u>		
Daily Customer Charge	\$ 0.2301	\$ 0.2301
Daily Customer Charge - Seasonal	\$ 0.4602	\$ 0.4602
Volumetric Charges:		
Distribution Service Charge	\$ 0.2685	\$ 0.3051
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
Gas Acquisition Charge	\$ 0.0368	\$ 0.0368
<u>Small Commercial (Annual Usage 2,001 - 20,000 therms)</u>		
Daily Customer Charge - (Cg-FS)	\$ 0.6904	\$ 0.6904
Daily Customer Charge - Seasonal (Cg-FS)	\$ 1.3808	\$ 1.3808
Daily Customer Charge - (Cg-TS, TSA)	\$ 0.9863	\$ 0.9863
Telemetry Charge (Cg-TS)	\$ 0.9205	\$ 0.9205
Transportation Administrative Charge (Cg-TS, CG-TSA)	\$ 1.2329	\$ 1.2329
Volumetric Charges:		
Distribution Service Charge - (Cg-FS)	\$ 0.1385	\$ 0.1657
Distribution Service Charge - (Cg-TS, TSA)	\$ 0.1222	\$ 0.1332
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
Gas Acquisition Charge (Cg-FS)	\$ 0.0368	\$ 0.0368

Wisconsin Public Service Corporation
Present and Authorized Natural Gas Rates

	Present Rates	Authorized Rates
<u>Medium Commercial (Annual Usage 20,001 - 200,000 therms)</u>		
Daily Customer Charge - (Cg-FM)	\$ 3.1233	\$ 3.1233
Daily Customer Charge - Seasonal (Cg-FM)	\$ 6.2466	\$ 6.2466
Daily Customer Charge - (Cg-IM, Gc-SOS-M, TM, TMA)	\$ 4.4384	\$ 4.4384
Telemetry Charge (Cg-IM, Cg-TM)	\$ 0.9205	\$ 0.9205
Transportation Administrative Charge (Cg-TM, Cg-TMA)	\$ 1.2329	\$ 1.2329
Volumetric Charges:		
Distribution Service Charge (FM)	\$ 0.0788	\$ 0.0984
Distribution Service Charge - (Cg-IM, Gc-SOS-M, TM, TMA)	\$ 0.0686	\$ 0.0782
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
Gas Acquisition Charge (Gc-FM)	\$ 0.0368	\$ 0.0368
Gas Acquisition Charge (Gc-IM, Gc-SOS-M)	\$ 0.0282	\$ 0.0282
<u>Large Commercial (200,001 to 2,400,000)</u>		
Daily Customer Charge	\$ 19.5616	\$ 19.5616
Daily Customer Charge - Seasonal (Cg-FL)	\$ 39.1233	\$ 39.1233
Telemetry Charge (Cg-FL, Cg-IL, Cg-TL, Cg-SOS-L)	\$ 0.9205	\$ 0.9205
Transportation Administrative Charge (Cg-TL, Cg-TLA)	\$ 1.2329	\$ 1.2329
Demand Charge	\$ 0.1475	\$ 0.1475
Volumetric Charges:		
Distribution Service Charge	\$ 0.0321	\$ 0.0354
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
Gas Acquisition Charge (Cg-FL)	\$ 0.0288	\$ 0.0288
Gas Acquisition Charge (Cg-IL, Cg-SOS-L)	\$ 0.0226	\$ 0.0226
<u>S-Large Commercial (> 2,400,000)</u>		
Daily Basic Distribution Charge	\$ 127.6274	\$ 127.6274
Telemetry Charge (Cg-ISL, Cg-TSL)	\$ 0.9205	\$ 0.9205
Transportation Administrative Charge (Cg-TSL, Cg-TSLA)	\$ 1.2329	\$ 1.2329
Demand Charge	\$ 0.0833	\$ 0.0833
Volumetric Charges:	\$ -	\$ -
Distribution Service Charge	\$ 0.0267	\$ 0.0280
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
Gas Acquisition Charge (Cg-ISL)	\$ 0.0226	\$ 0.0226

Wisconsin Public Service Corporation
Present and Authorized Natural Gas Rates

	Present Rates	Authorized Rates
<u>Interruptible Electric Generation (>200,000)</u>		
Daily Basic Distribution Charge	\$ 229.9726	\$ 229.9726
Telemetry Charge	\$ 0.9205	\$ 0.9205
Demand Charge	\$ 0.0649	\$ 0.0649
Volumetric Charges:		
Distribution Service Charge	\$ 0.0164	\$ 0.0189
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
Gas Acquisition Charge	\$ 0.0226	\$ 0.0226
<u>Coal Displacement Gas Transportation</u>		
Daily Basic Distribution Charge	\$ 127.6274	\$ 127.6274
Telemetry Charge	\$ 0.9205	\$ 0.9205
Transportation Administrative Charge (CDGT)	\$ 1.2329	\$ 1.2329
Demand Charge	\$ 0.0616	\$ 0.0616
Volumetric Charges:		
Distribution Service Charge (CDGT)	\$ 0.0189	\$ 0.0201
Daily Balancing Charge	\$ 0.0009	\$ 0.0009
<u>Base Average Cost of Gas Rates:</u>		
Commodity ("Comm") rate	\$ 1.1051	\$ 0.5904
Peak Day Demand ("D1") rate	\$ 0.0982	\$ 0.0975
Annual Demand ("D2") rate	\$ 0.0097	\$ 0.0100
Balancing ("Bal") rate	\$ 0.0041	\$ 0.0039
<u>Act 141 Volumetric Distribution Rates 1/</u>		
Residential (Rg-3)	\$ 0.0092	\$ 0.0092
Commercial & Industrial, Cg-ST (0 to 2,000)	\$ 0.0064	\$ 0.0065
Commercial & Industrial, Cg-S (2,001 to 20,000)	\$ 0.0064	\$ 0.0065
Commercial & Industrial, Cg-M (20,001 to 200,000)	\$ 0.0064	\$ 0.0065
Commercial & Industrial, Cg-L (200,001 to 2,400,000)	\$ 0.0064	\$ 0.0065
Commercial & Industrial, Cg-SL (> 2,400,000)	\$ 0.0064	\$ 0.0065
Interruptible Electric Generation, Cg-IEG (200,000+)	\$ 0.0064	\$ 0.0065
Coal Displacement Gas Transportation (CDGT)	\$ 0.0064	\$ 0.0065

1/ Act 141 volumetric distribution rates are included in the
above volumetric Distribution Service Charges.

Wisconsin Public Service Corporation Monthly Residential Bill Comparison

Gas Costs Summer Winter
Firm Sales Service 0.6043 0.7018

Monthly Use Therms	Current Customer Charge	Current Distribut'n Charges	Total Monthly Cost	Gas Costs	Total Costs	Authorized Customer Charges	Authorized Distribut'n Charges	Total Monthly Cost	Gas Costs	Total Costs	Monthly Bill Increase (Decrease)	Monthly Percent Increase (Decrease)
Rg-1: Residential Firm Sales Service During Summer Months												
5	\$ 7.00	\$ 1.53	\$ 8.53	\$ 3.02	\$ 11.55	\$ 7.00	\$ 1.71	\$ 8.71	\$ 3.02	\$ 11.73	\$ 0.18	1.58%
15	\$ 7.00	\$ 4.59	\$ 11.59	\$ 9.06	\$ 20.66	\$ 7.00	\$ 5.14	\$ 12.14	\$ 9.06	\$ 21.21	\$ 0.55	2.66%
26 avg.	\$ 7.00	\$ 7.96	\$ 14.96	\$ 15.71	\$ 30.67	\$ 7.00	\$ 8.91	\$ 15.91	\$ 15.71	\$ 31.62	\$ 0.95	3.10%
35	\$ 7.00	\$ 10.72	\$ 17.72	\$ 21.15	\$ 38.87	\$ 7.00	\$ 12.00	\$ 19.00	\$ 21.15	\$ 40.15	\$ 1.28	3.30%
50	\$ 7.00	\$ 15.31	\$ 22.31	\$ 30.22	\$ 52.52	\$ 7.00	\$ 17.14	\$ 24.14	\$ 30.22	\$ 54.35	\$ 1.83	3.48%
75	\$ 7.00	\$ 22.97	\$ 29.96	\$ 45.32	\$ 75.29	\$ 7.00	\$ 25.71	\$ 32.71	\$ 45.32	\$ 78.03	\$ 2.75	3.65%
100	\$ 7.00	\$ 30.62	\$ 37.62	\$ 60.43	\$ 98.05	\$ 7.00	\$ 34.28	\$ 41.28	\$ 60.43	\$ 101.71	\$ 3.66	3.73%
114	\$ 7.00	\$ 34.91	\$ 41.91	\$ 68.89	\$ 110.80	\$ 7.00	\$ 39.08	\$ 46.08	\$ 68.89	\$ 114.97	\$ 4.17	3.77%
150	\$ 7.00	\$ 45.93	\$ 52.93	\$ 90.65	\$ 143.57	\$ 7.00	\$ 51.42	\$ 58.42	\$ 90.65	\$ 149.06	\$ 5.49	3.82%
200	\$ 7.00	\$ 61.24	\$ 68.24	\$ 120.86	\$ 189.10	\$ 7.00	\$ 68.56	\$ 75.56	\$ 120.86	\$ 196.42	\$ 7.32	3.87%
300	\$ 7.00	\$ 91.86	\$ 98.86	\$ 181.29	\$ 280.15	\$ 7.00	\$ 102.84	\$ 109.84	\$ 181.29	\$ 291.13	\$ 10.98	3.92%
Rg-1: Residential Firm Sales Service During Winter Months												
5	\$ 7.00	\$ 1.53	\$ 8.53	\$ 3.51	\$ 12.04	\$ 7.00	\$ 1.71	\$ 8.71	\$ 3.51	\$ 12.22	\$ 0.18	1.52%
15	\$ 7.00	\$ 4.59	\$ 11.59	\$ 10.53	\$ 22.12	\$ 7.00	\$ 5.14	\$ 12.14	\$ 10.53	\$ 22.67	\$ 0.55	2.48%
26	\$ 7.00	\$ 7.96	\$ 14.96	\$ 18.25	\$ 33.21	\$ 7.00	\$ 8.91	\$ 15.91	\$ 18.25	\$ 34.16	\$ 0.95	2.87%
35	\$ 7.00	\$ 10.72	\$ 17.72	\$ 24.56	\$ 42.28	\$ 7.00	\$ 12.00	\$ 19.00	\$ 24.56	\$ 43.56	\$ 1.28	3.03%
50	\$ 7.00	\$ 15.31	\$ 22.31	\$ 35.09	\$ 57.40	\$ 7.00	\$ 17.14	\$ 24.14	\$ 35.09	\$ 59.23	\$ 1.83	3.19%
75	\$ 7.00	\$ 22.97	\$ 29.96	\$ 52.64	\$ 82.60	\$ 7.00	\$ 25.71	\$ 32.71	\$ 52.64	\$ 85.34	\$ 2.74	3.32%
100	\$ 7.00	\$ 30.62	\$ 37.62	\$ 70.18	\$ 107.80	\$ 7.00	\$ 34.28	\$ 41.28	\$ 70.18	\$ 111.46	\$ 3.66	3.40%
114 avg.	\$ 7.00	\$ 34.91	\$ 41.91	\$ 80.01	\$ 121.91	\$ 7.00	\$ 39.08	\$ 46.08	\$ 80.01	\$ 126.08	\$ 4.17	3.42%
150	\$ 7.00	\$ 45.93	\$ 52.93	\$ 105.27	\$ 158.20	\$ 7.00	\$ 51.42	\$ 58.42	\$ 105.27	\$ 163.69	\$ 5.49	3.47%
200	\$ 7.00	\$ 61.24	\$ 68.24	\$ 140.36	\$ 208.60	\$ 7.00	\$ 68.56	\$ 75.56	\$ 140.36	\$ 215.92	\$ 7.32	3.51%
300	\$ 7.00	\$ 91.86	\$ 98.86	\$ 210.54	\$ 309.40	\$ 7.00	\$ 102.84	\$ 109.84	\$ 210.54	\$ 320.38	\$ 10.98	3.55%
Avg. Annual Residential Billing												
840	\$ 83.99	\$ 257.21	\$ 341.19	\$ 574.30	\$ 915.50	\$ 83.99	\$ 287.95	\$ 371.94	\$ 574.30	\$ 946.24	\$ 30.74	3.36%

Wisconsin Public Service Corporation

Monitored Fuel Costs for 2010

Month	Fuel Costs	kWh	\$ / kWh	Cumulative \$ / kWh
January	\$ 31,501,000	1,386,546,000	\$ 0.02272	\$ 0.02272
February	\$ 27,988,000	1,276,369,000	\$ 0.02193	\$ 0.02234
March	\$ 25,885,000	1,337,763,000	\$ 0.01935	\$ 0.02134
April	\$ 21,659,000	1,239,074,000	\$ 0.01748	\$ 0.02043
May	\$ 22,713,000	1,284,237,000	\$ 0.01769	\$ 0.01989
June	\$ 28,010,000	1,391,378,000	\$ 0.02013	\$ 0.01993
July	\$ 31,477,000	1,485,570,000	\$ 0.02119	\$ 0.02013
August	\$ 32,187,000	1,480,375,000	\$ 0.02174	\$ 0.02035
September	\$ 27,372,000	1,356,290,000	\$ 0.02018	\$ 0.02033
October	\$ 26,399,000	1,329,982,000	\$ 0.01985	\$ 0.02028
November	\$ 27,145,000	1,302,696,000	\$ 0.02084	\$ 0.02033
December	\$ 28,545,000	1,373,978,000	\$ 0.02078	\$ 0.02037
Total	\$ 330,881,000	16,244,258,000	\$ 0.02037	\$ 0.02037

**Docket 6690-UR-119 2010 Re-opener
Deferral Amortization Schedule**

Deferral:	PSCW Deferral Authorization	Notes	Amortization Period	Test Year Amount	
				Electric	Gas
ATC/MISO Day 1 Escrow	05-EI-124	1	2010	(\$1,380,156)	\$0
3rd Party Wheeling Escrow	05-EI-124	4	2010	(1,918,536)	0
MISO Day 2 Deferral	6690-UR-116	4	2010	(203,856)	0
DePere Energy Center Premium	6690-EB-104	4	2010-2023	2,280,420	0
Weston 4 Past Recovered	6690-UR-116	4	2010	(18,584)	0
KNPP 2005 Outage - O&M	05-GF-149	1	2010	1,677,623	0
KNPP 2005 Outage - Purchased Power	05-GF-149	1	2010	7,890,001	0
	05-EI-136, 6690-				
KNPP - Loss on Sale (Noncontingent)	UR-117	1	2010	77,260	0
KNPP Spent Fuel Dispute	6690-UR-116	4	2010	(1,586,926)	0
Conservation Budget & Escrow	6690-UR-118	3	2010	14,188,227	8,952,458
Emission Allowances Sale-SO ₂	6690-UR-118	1	2010	(47,263)	0
Emission Allowances Sale-NO _x	6690-UR-113	1	2010	247,753	0
Manufactured Gas Plant Clean-up	6690-UR-110	2	2010-2012	0	260,688
Weston 3 Lightning - Purchased Power	05-GF-120	1	2010-2014	2,800,000	0
Weston 3 Lightning - Purchased Power	05-GF-120	5	2010-2014	825,058	0
DMD and R&E Tax Credits	6690-GF-115	4	2010	135,072	0
Tax Deferrals	Precedent	3	2010	20,117	6,315
WUMS Socialization of MISO Congestion & Loss Costs & Credits	05-GF-165	4	2010	(1,567,337)	0
2009 NO _x Allowance Costs	6690-UR-119	4	2010	1,782,526	0
2009 Crane Creek Prod Tax Credits	6690-UR-119	4	2010	(1,901,067)	0
2009 FOE Payments	6690-UR-119	1	2010	4,449,401	2,997,925
2009 P & B Growth & Discount Rate Impact	6690-UR-119	4	2010	2,561,501	
2009 P & B Growth & Discount Rate Impact	6690-UR-119	1	2010		614,133
KNPP NQDT - Additional Credits	05-EI-136	1	2010	(157,889)	0
Act 141 Deferred Costs from 2009	6690-UR-119	1	2010	3,146,253	1,681,630
Totals				33,299,598	14,513,149

(1) Amount applies to Wisconsin Retail customers only.

(2) Amount allocated between Wisconsin and Michigan Retail customers.

(3) Amount allocated between all WPSC jurisdictions. (WI, MI, FERC)

(4) Amount allocated between Wisconsin Retail and FERC Market Based customers.

(5) Amount applies to FERC Market Based customers only